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WAR FINANCE AS IT MIGHT HAVE BEEN—II

December, 1917

The Changed Spirit of the Country—A Great Opportunity thrown away—What Taxation might have done—The Perils of Inflation—'Drifting stupidly along the Line of Least Resistance—It is we who pay, not "Posterity."

IN the November number of *Sperling's Journal* I dealt with the question of how our war finance might have been improved if a longer view had been taken from the beginning concerning the length of the war and the measures that would be necessary for raising the money. The subject was too big to be fully covered in the course of one article, and I have been given this opportunity of continuing its examination.

Before doing so I wish to remind my readers once more of the great difference in the spirit of the country with regard to financial self-sacrifice in the early days of the war and at the present time, after three years of high profits, public and private extravagance, and successful demands for higher wages have demoralised the public temper into a belief that war is a time for making big profits and earning big wages at the expense of the community.

In the early days the spirit of the country was very